

# DOCKET SECTION

PRESIDING OFFICER'S  
RULING NO. R97-1/87

JAN 15 3 11 PM '98

UNITED STATES OF AMERICA  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268

POSTAL RATE COMMISSION  
OFFICE OF THE PRESIDING OFFICER

Postal Rate and Fee Changes

Docket No. R97-1

## PRESIDING OFFICER'S RULING CORRECTING TRANSCRIPT VOLUMES 1 - 19

(January 15, 1998)

This ruling grants the motions to adopt transcript corrections and approves the proposed transcript corrections filed by participants and Commissioners, with exceptions and modifications listed later in this ruling. Where a filing listed below refers to more than one volume, it is included with reference to the first volume only and not repeated.

There have been no objections to the motions to adopt transcript corrections or proposed transcript corrections filed in this proceeding. Some corrections were filed after the date established for filing, but as it appears no party will be prejudiced, I am accepting the late-filed corrections and motions. The following motions are granted and corrections approved as filed.

Volume 1	Chairman Edward J. Gleiman, filed August 7, 1997;
Volume 2	Motion of the McGraw-Hill Companies to Adopt Transcript Corrections to Volumes 2, 7, 10 and 13, filed October 31, 1997; Nashua Photo Inc., District Photo Inc., Mystic Color Lab, and Seattle Filmworks, Inc. Motion to Adopt Transcript Corrections, filed December 17, 1997; Office of the Consumer Advocate Motion to Adopt Transcript Correction, filed October 29, 1997;

- Volume 3      Office of the Consumer Advocate Motion to Adopt Transcript Corrections, filed October 30, 1997; Motion of Time Warner Inc. to Adopt Transcript Corrections, filed October 20, 1997; Motion of United Parcel Service to Correct Transcript Volumes 3, 4, 5, 8, and 11, filed October 29, 1997; Motion of United States Postal Service to Adopt Transcript Corrections for Volume 3 (Witnesses Needham and Plunkett), filed October 31, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 3, Witness Miller, USPS-T-23), filed October 31, 1997;
- Volume 4      Office of the Consumer Advocate Motion to Adopt Transcript Corrections, filed October 30, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 4, Witness Hatfield, USPS-T-25), filed October 31, 1997;
- Volume 5      United States Postal Service Motion to Adopt Transcript Corrections for Volume 5 (Witness Daniel), filed October 29, 1997;
- Volume 6      Office of the Consumer Advocate Motion to Adopt Transcript Corrections, filed October 31, 1997; United States Postal Service Motion to Adopt Transcript Corrections for Volumes 6 and 7 (Witness Moeller), filed October 29, 1997;
- Volume 7      Office of the Consumer Advocate Motion to Adopt Transcript Correction, filed October 31, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 7, Witness Nieto, USPS-T-2), filed October 31, 1997;
- Volume 8      Office of the Consumer Advocate Motion to Adopt Transcript Corrections, filed October 31, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 8, Witness Hatfield, USPS-T-16), filed October 31, 1997;
- Volume 9      Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 9, Witness Takis), filed October 29, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 9, Witness Pafford, USPS-T-1), filed October 31, 1997;
- Volume 10      Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 10, Witness Bernstein), filed October 29, 1997;

- Volume 11      Motion of the Direct Marketing Association, Inc. to Adopt Transcript Corrections to Volumes 11 and 12, filed November 25, 1997; Office of the Consumer Advocate Motion to Adopt Transcript Corrections (Volume 11), filed October 29, 1997;
- Volume 13      Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 13, Witnesses Thress & Tolley), filed October 30, 1997; Motion of United States Postal Service to Adopt Transcript Corrections for Volume 13, Witnesses Alexandrovich and Patelunas, filed November 3, 1997;
- Volume 14      Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 14, Witness Marc Smith, USPS-ST-46, USPS-ST-45), filed December 9, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 14, Witness Sharon Daniel, USPS-ST-43), filed December 17, 1997;
- Volume 15      Newspaper Association of America Motion to Adopt Transcript Corrections, filed December 18, 1997; United States Postal Service Motion to Adopt Transcript Corrections for Volume 15 (Witness McGrane), filed December 17, 1997;
- Volume 17      Motion of the United States Postal Service to Adopt Corrections to Transcript Volume 17 (Witness Degen), filed December 9, 1997; Motion of United States Postal Service to Adopt Transcript Corrections for Volume 17 – Witness Crum, filed December 18, 1997;
- Volume 18      Motion of United States Postal Service to Adopt Transcript Corrections (Volume 18, Witness Seckar), filed December 16, 1997; Motion of the United States Postal Service to Adopt Transcript Corrections (Volume 18, Witness Degen), filed December 17, 1997.

In addition, with the modifications and exceptions listed, the following motions are granted and transcript corrections approved:

United States Postal Service, corrections to Volume 2 (Witness O'Hara), filed October 20, 1997, the correction listed for Volume 2, page 97, line 8 is on line 9;

United States Postal Service, filed October 23, 1997, the correction listed for Volume 3, page 1191, line 13, should read capitalize "ZIP Codes";

United States Postal Service (Volume 4, Witness Fronk, USPS-T-32), filed October 20, 1997, the correction listed for page 1403, line 2, is on line 1; the entry for page 1403, line 14, will be corrected to begin "ABA/USPS: Interrogatories T32-2, 3 (institutional response revised 9/12/97), and 4; page 1639, line 9, should read "manual benchmark" to "average"; the correction listed for page 1693, line 5, is on page 1698, line 5;

Newspaper Association of America, filed October 29, 1997, the correction listed for Volume 6, line 29, is on line 19;

United States Postal Service, Volume 7, Witness Bradley, filed October 29, 1997, the correction for page 3798, line 9, is on line 10, and omit the correction for page 3803, line 23;

United States Postal Service, Volume 8 – Witnesses Mayes and Adra, filed October 31, 1997, the correction listed for page 4303, line 12 should read Change "litigated," to "litigated before,";

United States Postal Service, filed October 29, 1997, the correction listed for Volume 9, page 4554, line 9, should read Change "employment" to "deployment"; the correction listed for page 4557, lines 12&13, should read Delete "earlier that it was prepared";

United States Postal Service, Volume 10, Witness Taufique, filed October 28, 1997, the revised response to Presiding Officer's Information Request No. 3, Question 6, filed October 24, 1997, will be placed in a subsequent volume of transcript, the current response will remain at page 4931;

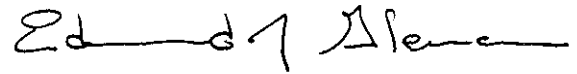
United States Postal Service, Volume 11, Witness Bradley, filed October 31, 1997, the correction listed for page 5542, line 8, is on line 7;

National Newspaper Association, Volumes 12 and 13, USPS Witnesses Degen (T12) and Tolley (T6), filed November 4, 1997, delete the correction listed for page 6671, line 23 [Insert ", " after "improved"].

Transcript Correction of Major Mailers Association to Volume 19-B, filed December 30, 1997, delete page 8791 and replace with attached page marked "Replacement Page 8791".

RULING

Transcript Volumes 1 - 19 in Docket No. R97-1 are corrected as described in the body of this ruling.

A handwritten signature in black ink, appearing to read "Edward J. Gleiman". The signature is fluid and cursive, with a long horizontal stroke at the end.

Edward J. Gleiman  
Presiding Officer

Attachment to Response to MMA/USPS-T32-15(B) et al. p 1 (revised 10-23-97)  
 SUMMARY OF ESTIMATED FISCAL YEAR 1998 AFTER RATES FINANCES  
 (Dollars in Thousands) PRC-30B

Line No	Description	Attributable Costs	Revenues	Percent of Costs (Col 2/Col 1)	Contribution To Other Costs (Col 2 - Col 1)
		(1)	(2)	(3)	(4)
1	First-Class Mail				
2	Single-piece Letters	15,494,399	22,148,759	142.95%	6,654,360
3	Worksharing Letters	4,755,649	11,466,010	241.10%	6,710,361
4	Total Letters	20,250,048	33,614,769	166.00%	13,364,721
5	Single-piece Cards	557,638	661,012	118.54%	103,374
6	Worksharing Postcards	197,982	427,967	216.16%	229,984
7	Total Cards	755,620	1,088,979	144.12%	333,358
8	Total	21,005,668	34,703,748	165.21%	13,698,079
9	Priority Mail	2,307,317	4,352,693	188.65%	2,045,376
10	Express Mail	720,028	841,217	116.83%	121,189
11	Mailgrams	310	4,676	1508.16%	4,366
12	Periodicals				
13	In Country	81,866	83,665	102.20%	1,799
14	Outside Country				
15	Nonprofit	333,086	342,631	102.87%	9,545
16	Classroom	11,635	10,540	90.59%	(1,095)
17	Regular-Rate	1,573,326	1,688,945	107.35%	115,619
18	Total	1,999,913	2,125,781	106.29%	125,868
19	Standard Mail A				
20	Single Piece	0	0	0.00%	- 0
21	Commercial Regular	5,741,425	8,022,045	139.72%	2,280,620
22	Commercial Enhanced Carrier Route	2,038,198	4,304,004	211.17%	2,265,806
23	Total Commercial	7,779,622	12,326,049	158.44%	4,546,427
24	Nonprofit	1,222,679	1,351,433	110.53%	128,754
25	Nonprofit Enhanced Carrier Route	127,079	201,408	158.49%	74,329
26	Total Nonprofit	1,349,758	1,552,841	115.05%	203,083
27	Total Standard Mail A	9,129,381	13,878,890	152.02%	4,749,509
28	Standard Mail B				
29	Parcel Post	719,927	782,916	108.75%	62,989
30	Bound Printed Matter	329,563	524,608	159.18%	195,045
31	Special Rate	278,431	352,330	126.54%	73,899
32	Library Rate	52,475	52,427	99.91%	(48)
33	Total	1,380,396	1,712,281	124.04%	331,885
34	Free-for-the-Blind, etc.	34,619	0	0.00%	(34,619)
35	International Mail	1,369,644	1,643,644	120.00%	274,000
36	Special Services				
37	Registry	70,029	122,606	175.08%	52,577
38	Certified	341,619	448,962	131.42%	107,343
39	Insurance	47,385	74,453	157.12%	27,068
40	COD	20,825	18,024	86.55%	(2,801)
41	Money Orders	217,763	237,240	108.94%	19,477
42	Stamped Envelopes	10,088	16,008	158.69%	5,921
42a	Stamped Cards	4,585	11,660	254.29%	7,075
42b	Delivery Confirmation	22,139	23,563	106.43%	1,424
42c	BPRS	5,410	8,370	154.71%	2,960
42d	Packaging Service	28,098	34,705	123.52%	6,607
43	Special Handling	1,332			(1,332)
44	Post Office Boxes	634,958	683,362	107.62%	48,404
45	Other		370,652		370,652
46	Total	1,404,232	2,049,606	145.96%	645,373
47	Other Costs	245,457			(245,457)
48	Other Income		217,242		217,242
49	Attributable Costs and Revenues	39,597,165	61,529,977	155.39%	21,932,813
50	Total Other Costs	21,617,178			(21,617,178)
51	Prior Years Loss Recovery	446,933			(446,933)
52	Continuing Appropriations		67,498		67,498
53	Investment Income		54,371		54,371
54	GRAND TOTAL	61,661,275	61,651,846	99.98%	(9,429)

Sources: Attributable Costs: PRC-30F, column (6) times 1.01 (adds 1% contingency);  
 Revenue: Exh USPS-30B (9-19-97)